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Before The  
Federal Communications Commission  
Washington, D.C. 20554

RECEIVED  
JUL 6 1997  
FEDERAL COMMUNICATIONS COMMISSION

In the Matter of	)	
	)	
Review of the Commission's Regulations	)	MM Docket No. 91-221
Governing Television Broadcasting	)	
	)	
Television Satellite Stations	)	MM Docket No. 87-8
Review of Policy and Rules	)	
	)	
Review of the Commission's	)	MM Docket No. 94-150
Regulations Governing Attribution	)	
of Broadcast and Cable/MDS Interests	)	
	)	
Review of the Commission's Regulations	)	MM Docket No. 92-51
and Policies Affecting Investment	)	
in the Broadcast industry	)	
	)	
Reexamination of the Commission's	)	MM Docket No. 87-154
Cross-Interest Policy	)	

To: The Commission

**COMMUNITY RESPONSE TO:**  
**JOINT SUBMISSION OF AK MEDIA GROUP, INC., AND**  
**HARRON TELEVISION OF MONTEREY**  
**OF CERTAIN REQUESTED FACTUAL INFORMATION**  
**REGARDING TELEVISION LMAs**

Received by the office of the Secretary July 8, 1997

Bill Carpenter, Jr.  
514 Chestnut Street  
Pacific Grove CA 93950-3916  
(408) 373-7704

July 27, 1997

**Before The  
Federal Communications Commission  
Washington, D.C. 20554**

<b>In the Matter of</b>	)	
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<b>Review of the Commission's Regulations Governing Television Broadcasting</b>	)	<b>MM Docket No. 91-221</b>
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	)	
<b>Television Satellite Stations Review of Policy and Rules</b>	)	<b>MM Docket No. 87-8</b>
	)	
<b>Review of the Commission's Regulations Governing Attribution of Broadcast and Cable/MDS Interests</b>	)	<b>MM Docket No. 94-150</b>
	)	
<b>Review of the Commission's Regulations and Policies Affecting Investment in the Broadcast industry</b>	)	<b>MM Docket No. 92-51</b>
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<b>Reexamination of the Commission's Cross-Interest Policy</b>	)	<b>MM Docket No. 87-154</b>
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**To: The Commission**

**COMMUNITY RESPONSE TO:  
JOINT SUBMISSION OF AK MEDIA GROUP, INC., AND  
HARRON TELEVISION OF MONTEREY  
OF CERTAIN REQUESTED FACTUAL INFORMATION  
REGARDING TELEVISION LMAs**

**Received by the office of the Secretary July 8, 1997**

In response to the FCC requested information filed on behalf of AK Media Group, Inc. ("AK Media") and Harron Television of Monterey ("Harron") by their attorneys, serious omissions were made, specifically in Section 9 "Brief Summary of Other Information", as to the impact on the Monterey-Salinas-Santa Cruz community by the LMA in question.

First and foremost, the suggestion that KION would go dark if the LMA had not occurred is nonsense. Other established broadcasters had vigorously bid for the KCCN property prior to the time that the LMA agreement was signed. It is clear that the property most certainly would not have been abandoned, and clear that the community would most certainly not have been deprived of the programming on this station.

In the course of my research of this defacto sale, two issues always seem to arise as the motivation for creating and sustaining this business arrangement: for AK Media the motive seems to be asset protection for their existing broadcast property, KCBA-TV which operates in the same ADI. By controlling the majority of the English-language television broadcast properties in the Monterey-Salinas-Santa Cruz ADI (via an LMA or duopoly), AK Media can use undue influence to control the market, and thus protect the KCBA-TV asset and ensure market share by eliminating competition. The second issue, which is Harron's motivation for agreeing to the LMA, was to quickly relieve it of an enormous debt burden, to attempt to influx the KCCN/KION operation with inexpensive managers and labor, *and* keep all of the assets. It seems that Harron wants to "have its cake and eat it too"—with total disregard for how it's actions affect our community.

Also at issue is which organization is truly in control of KCCN/KION. A recent decision to preempt a portion of the local news for an infomercial is likely the most glaring and non-community friendly public "error" that KION management has made in recent weeks. The public apology for the "programming miscommunication" was not made by a Harron official, but by a manager from the AK Media organization. From all indications, it seems that AK Media is in day-to-day control of all aspects of the KCCN/KION broadcast operation. In fact, Harron does

not have on-site managers who meet basic qualifications to manage or operate a broadcast television station. Is the licensee still in control of KCCN/KION?

The “immediate benefits” referred to on Page 4, Paragraph 2 of the Harron-AK Media submission are minimal at best, and are of virtually no real benefit to the community.

“The most important contribution” as stated in the Harron-AK Media submission (Page 4, Paragraph 3) is of little importance to the community from a news-diversity standpoint. While AK Media did increase the amount of local news programming on KION, it simultaneously eliminated over one-half the local news programming on their licensed station KCBA-TV. Because of the AK Media “news switch” the community has realized little meaningful net gain in local television news. If a net gain in local news programming has been created, considering both stations, it is still meaningless due to the fact that the same news department feeds and drives the local news content for both KION/KCCN-TV and KCBA-TV.

Community support for this LMA is simply non-existent. The group of comment letters included in the Harron-AK Media submission is conspicuously absent of comments from our community’s major charities and volunteer organizations: The United Way, The AT&T Pebble Beach Pro-Am, The California International Airshow, The Boys & Girls Club, & The American Cancer Society. The letters of “support” presented by AK Media-Harron do not detail a significant level of participation by KCCN/KION or demonstrate how the KCCN/KION participation was of any significant community benefit.

In an informal poll of local business owners, fear of retaliatory action by AK Media, now one of only two community English-language television broadcast advertising sources, keeps public comment low from this segment of the community. However, government officials from many communities in the Monterey-Salinas-Santa Cruz ADI have made their concerns clear.

Attached are the officials' comments and comments from citizens willing to speak publicly  
against the corporations and their involvement in the KCCN/KION-KCBA LMA.

Respectfully Submitted,



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Bill Carpenter, Jr.  
514 Chestnut Street  
Pacific Grove CA 93950-3916  
(408) 373-7704

July 27, 1997

## REPLY TO:

- STATE CAPITOL  
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SACRAMENTO, CA 94248-0001  
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FAX: (916) 445-1828
- DISTRICT OFFICES:  
1200 AGUAJITO ROAD  
MONTEREY, CA 93940  
(408) 648-1980  
FAX: (408) 648-2967
- 701 OCEAN STREET  
SANTA CRUZ, CA 95060  
(408) 425-1503  
FAX: (408) 454-3070

# Assembly California Legislature



**BRUCE MCPHERSON**  
ASSEMBLYMAN, TWENTY-SEVENTH DISTRICT

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ASSEMBLY COMMITTEE ON  
ELECTIONS, REAPPORTIONMENT  
& CONSTITUTIONAL AMENDMENTS

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HIGHER EDUCATION  
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TASK FORCES:  
DEFENSE CONVERSION TASK FORCE  
ECONOMIC STRATEGY PANEL

May 8, 1996

The Honorable Reed E. Hundt, Chairman  
Federal Communications Commission  
1919 M Street NW  
Washington, D.C. 20554

**Re: KCCN-TV Local Marketing Agreement**

Dear Chairman Hundt:

I am writing this letter to request that the FCC investigate the Local Marketing Agreement recently reached between Harron Communications and Ackerley Communications pertaining to the operation of Monterey, California CBS affiliate KCCN-TV.

As the former editor of a daily newspaper, which has been published in Santa Cruz County for over 130 years, I am concerned anytime a respected local editorial voice might be silenced. I believe it would serve the community's interest to inquire into why Harron Communications rejected serious bids from established broadcasters to operate KCCN as a stand-alone operation and preserve its strong individual news presence and record of community service.

I am also concerned that a Local Marketing Agreement may not be appropriate in this case. It is my understanding that LMAs were not intended for small market television operations, and may in fact in the very near future be prohibited by your Commission from being so utilized. I further understand that Ackerley Communications itself protested Harron's previous plans to enter into an LMA with the owners of the market's third television station, KSBW-TV.

I strongly support free market transactions and the new spirit of deregulation which your Commission will be implementing. I do believe, though, that it would be appropriate for this particular Agreement to receive FCC scrutiny in terms of the issues I have raised. I thank you for considering my request in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Bruce McPherson".

Bruce McPherson  
27th District Assemblymember

# MONTEREY COUNTY

## THE BOARD OF SUPERVISORS



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1200 AGUAJITO ROAD, SUITE 001  
MONTEREY, CALIFORNIA 93940 (408) 647-7755

May 7, 1996

Roy Stewart  
Chief of Mass Media  
Federal Communications Commission  
1919 M Street N.W.  
Washington, D.C. 20554

Dear Mr. Stewart:

The Monterey County Board of Supervisors, at its May 7, 1996, meeting, voted to condemn the acquisition of KCCN-TV 46 by Ackerly Communications, Inc., and to request that the Federal Communications Commission investigate this matter and its impact on the Central Coast of California.

In our small television news market, we have just lost one of our three major television news sources and the only local television station in Monterey. We are concerned that a third, independent voice for news, public service and community events has been lost. We believe that people are better served by having a variety of options available for making decisions which affect their lives.

In addition, we find that the immediate dismissal of seventy KCCN employees by Ackerly Communication is an example of a corporation functioning at its worst. Never has an incident like this ever happened in our community. Instead, when events cause economic hardship for local businesses, the affected businesses have shown a concern for their employees and for our community.

We look forward to your response on this matter of vital importance to our community.

Thank you very much for your consideration.

Sincerely,

Edith Johnsen  
Chair, Board of Supervisors



## City of Salinas

OFFICE OF THE MAYOR • 200 Lincoln Avenue • Salinas, California 93901 • (408) 758-7201

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May 7, 1996

Roy Stewart  
Chief of Mass Media  
Federal Communications Commission  
1919 M Street N.W.  
Washington, D.C. 20554

RE: ACQUISITION OF KCCN-TV 46

Dear Mr. Stewart:

The Salinas City Council, at its May 7, 1996 meeting, voted to request that the Federal Communications Commission investigate the acquisition of KCCN-TV 46 by Ackerly Communications, Inc. and its impact on the Central Coast of California.

Thank you very much for your consideration.

Sincerely,

ALAN D. STYLES  
Mayor

ADS:LLM

C:\DATA\WPDOCCS\MAYOR\96\LTR0314





**Board of Directors:**

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President

*Joe Livernois*  
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At-large broadcast rep.

*Robin Stuart*  
At-large PR rep.

P.O. Box 10220  
Salinas, CA 93912  
tel./fax: (408) 443-6040  
e-mail: ccpc@reporters.net

The Honorable Reed E. Hundt, Chairman  
Federal Communications Commission  
1919 M Street Northwest  
Washington, D.C. 20554  
Friday, May 3, 1996

Sir:

The Central Coast Press Club Board of Directors has taken a position to strongly condemn the local management agreement (LMA) reached between Harron Communications, the parent company of CBS affiliate KCCN-TV, and Ackerley Communications Inc., the parent company of Fox affiliate KCBA-TV in Monterey County, California. Under the agreement, Harron sold the assets of KCCN to Ackerley, but retained the license. Ackerley was given authority to manage all station operations and maintain editorial control over all newscasts and public service at both KCBA and KCCN -- both stations in the same broadcast market. This appears to be in violation of FCC policy as outlined this week by Clay Pendarvis, chief of the FCC's Television Branch.

The Central Coast Press Club represents 80 journalists employed in Monterey, San Benito, Santa Cruz and Santa Clara counties. The Press Club Board decries the loss of 70 jobs at KCCN, the closure of the station and the subsequent suspension of news operations by Ackerley.

But more than that, we believe the arrangement may have silenced an independent voice on the Central Coast. Preliminary information given by Ackerley indicates that news operations at KCBA and KCCN -- when it resumes broadcasting local programming in June -- will be combined in some way. As you know, broadcast markets are only allowed a limited number of FCC licenses. Now Ackerley apparently controls two-thirds of Monterey County's English-language news operations. Our community is the one to suffer as a result.

Although we understand there is no law currently on the books that makes this kind of arrangement illegal, we feel that Ackerley and Harron have found a loophole that will only have a negative effect on television news and community involvement -- while padding the two companies' pockets. We also point out that an LMA wasn't the only option for KCCN, as Ackerley maintains. Harron did receive bids from other established broadcasters who believed KCCN could operate as a profitable stand-alone operation.

The FCC, with its obligation to regulate such abuses of power and to ensure the public trust, needs to take a close look at this LMA and its ramifications on the community. We urge you not to rubber stamp this arrangement without making sure that doing so will not set a dangerous precedent for broadcast voices in other communities across the nation.

Sincerely,

Lynn Christiansen  
President

cc: The Honorable Roy Stewart, Chief of Mass Media Bureau  
The Honorable Susan Ness, FCC Commissioner  
The Honorable James H. Quello, FCC Commissioner  
The Honorable Rachelle B. Chong, FCC Commissioner  
Dan Evans, Ackerley Communications Inc.  
U.S. Sen. Barbara Boxer  
U.S. Sen. Dianne Feinstein  
U.S. Rep. Sam Farr  
White House Chief of Staff Leon Panetta



May 21, 1996

Roy Stewart  
Chief of Mass Media  
Federal Communications Commission  
1919 M Street N.W.  
Washington, D.C. 20554

Post-It® Fax Note	7671	Date	5-21	# of pages	1
To	BILL CARPENTER, JR		From	KELLY MORGAN	
Co./Dept.			Co.		
Phone #			Phone #	394-3054	
Fax #	373-2644		Fax #		

Dear Mr. Stewart.

On behalf of Sand City, I want to express my concern regarding the acquisition of KCCN-TV 46 in Monterey, California by Ackerly Communications, Inc. I join with other local representatives in requesting an investigation by the F.C.C. of this matter and its impact on the California Central Coast.

In the Monterey Peninsula television news market, we have just lost one of our three major television news sources and the only local television station in Monterey. Many of our citizens are concerned that a third, independent voice for news, public service and community events has been lost. People are better served by having a variety of news options available for making decisions which affect their lives.

Furthermore, the immediate dismissal of seventy KCCN employees by Ackerly Communication is an example of corporate insensitivity to community values at its worst. When events have created economic hardship for local businesses in the past, businesses in this area have shown a concern for their employees and for our community. In particular, news organizations should have acute awareness of these kinds of community issues.

Thank you very much for your consideration.

Sincerely,

David K. Pendergrass  
MAYOR

cc: Dan Albert, Chairman, Mayors' Association

City Hall  
1 Sylvan Park,  
Sand City, CA  
93955

Administration  
(408) 394-3054

Planning  
(408) 394-6700

FAX  
(408) 394-2472

Police  
(408) 394-1451

FAX  
(408) 394-1038

Incorporated  
May 31, 1960

# NorCal RTNDA

Radio-Television  
News Directors Association  
of Northern California

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John Catchings '95  
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Dick Fitzmaurice '95  
Pacific Bell (510) 823-1298

Don Fitzpatrick '96  
Don Fitzpatrick Associates  
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Dick Fogel '96  
Bay City News (415) 552-8900

Joe Fragola '95  
BAY-TV (415) 561-8908

Stan Hopkins '96  
KRON-TV (415) 561-8937

Mark Provost '96  
KNBR-AM (415) 995-6883

Directors-At-Large  
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KDTV-TV (415) 641-1414

Debra Mark '95  
KKIQ-FM (510) 416-1222

Backside Editor  
Gill Haar  
KFRC-AM (415) 697-6776

June 10th, 1996

The Honorable Reed E. Hundt, Chairman  
Federal Communications Commission  
1919 M Street NW  
Washington, D.C. 20554

## Re: KCCN-TV Local Marketing Agreement

Dear Chairman Hundt,

On behalf of all broadcast news organizations in Northern California, The NorCal RTNDA strongly urges the commission to carefully scrutinize the Local Marketing Agreement that recently shut down independent, local news reporting operations at KCCN-TV in Monterey, California

The agreement between Harron Communications and Ackerley Communications appears to violate FCC policy governing so-called LMA's because it shut down a primary source of news in a relatively small community. Only 3 television stations cover English-language news on the Monterey Peninsula: KCBA, KCCN and KSBW, and now one company, Ackerley, which already operated KCBA, controls 2 of those 3 stations. (KNTV in San Jose is also licensed to Monterey, but it does not service that market in its news coverage.)

Since the day Ackerley Communications summarily fired all 70 staff members only an hour from their scheduled news broadcast and closed the news department for 6 weeks, they've returned with half the staff, and the newscasts on KCBA and KCCN are nearly identical in content. Except for different anchors, Monterey County viewers now see the same stories and videotape - even the same reporters - used on both stations.

While we generally support free market reforms in broadcasting, this arrangement violates the spirit of deregulation by decreasing competition and creating a near monopoly in the Monterey County community. In addition, this LMA was not the only option for KCCN's survival. We understand Harron Communications had received offers from other established broadcasters willing to continue operating KCCN as an independent voice in the community.

It seems clear that Ackerley Communications is simply subverting the prohibition against one company owning 2 stations in a small market by cynically using the LMA as a loophole. We call on the Commission to end this practice.

Sincerely,

Joe McConnell  
President

NorCal RTNDA is a  
Professional Chapter of  
Radio-Television  
News Directors  
Association



DRAFT

May 7, 1996

The Honorable Reed E. Hundt, Chairman  
Federal Communications Commission  
Washington, D.C.

Re: Sale of Monterey TV Station KCCN

Dear Chairman Hundt:

The City Council of Monterey would like to take this opportunity to comment on the recent no-notice Local Marketing Agreement (LMA) pertaining to KCCN. As a City Council, we have a very good understanding of the need for local independent news broadcasting and the need for local businesses to support the many non-profit groups that have emerged as federal, state and local governments have become less able to meet the needs of our community. KCCN was the only English-language television station licensed on the Monterey Peninsula. They did an excellent job of providing local news coverage on the myriad of activities of the seven cities located in the Monterey area. In addition, KCCN was also an outstanding sponsor of many local charities and community programs.

With the LMA between Harron Television and Ackerley Communications, we are concerned that we have lost one of our three major sources for providing news, public service, and sponsorship of community events. The little information that we have received on this LMA would indicate that, while it was not against the law, it was unusual and it was the type of LMA for which you are considering additional rule making. We ask that, as you review the LMA of KCCN, you insure that independent local news coverage continues. We also believe that there should be strong incentives for continued public involvement.

Thank you for your consideration.

Sincerely,

Dan Albert  
Mayor

c: City Council

People:

# Tia Gindick

communications

177 Webster St. #342  
Monterey, CA 93940

408.375.0676  
Fax: 408.375.1718

May 07, 1996

Federal Communications Commission  
1919 M Street NW  
Washington, DC 20554

The Hon. Roy Steward, Chief Mass Media Bureau  
The Hon. Reed E. Hundt, Chairman  
The Hon. James H. Quello, FCC Commissioner  
The Hon. Rachelle B. Chong, FCC Commissioner  
The Hon. Susan Ness FCC Commissioner

People:

Even if the summary dismissal of KCCN's 70 employees had not occurred, or if there had been jobs with raises waiting for all those 70 employees, I would still be protesting the purchase of KCCN by Ackerley Communications.

Ackerley Communications' plan to move all KCCN operations from Monterey (where the station is licensed) to Salinas (where it can share facilities with another Ackerley-owned news station) will be a disaster to the already hit and miss coverage of news and events on the Monterey Peninsula.

For the past few years, despite no doubt good intentions by the county's other news stations, coverage of news and events on the Monterey Peninsula has been most disappointing. All the stations have experienced cutbacks, which in turn has affected the number of news coverage teams, which has affected their ability to get out and cover stories. If there were two events happening at the same time, only one could be covered -- and unless the one in Monterey was absolutely earthshaking -- it was Monterey that lost out. KCCN-TV was our only source for Monterey-based news coverage. And the station was conscientious about doing a good job, even to covering events on weekends where they were not the official sponsor, and sponsoring community events with public service announcements and loan of on-air talent to appear at events.

The loss of KCCN effectively eliminates that base of community coverage and involvement. Salinas is a 30-minute drive away, and when the news is happening, that 30 minutes can determine whether that story is covered or not. In determining the fate of KCCN-TV, please consider that in this business deal the local community has truly gotten the biggest slap in the face. Yes, these are difficult times financially -- but other solutions are most certainly available.

Sincerely,

  
Tia Gindick

**C**

- Cinema sold 2C
- Superintendent search 2C
- Lawsuit thrown out 2C
- New today 4C

# Local

- Help wanted 5C
- Rentals/real estate 6C
- Merchandise 8C
- Auto 10C

**CLASSIFIED**

## Eastwood made bid for KCCN

He is critical of new owner's 'ruthless' action

BY ALEX HULANICKI

Herald Staff Writer

KCBA Channel 35's shutdown of KCCN Channel 46's news operation last week was "rather ruthless," said movie actor/producer Clint Eastwood, who tried to buy KCCN before Ackerley Communications of Seattle prevailed in a bid reportedly worth between \$11 million and \$12 million.

"Naturally, a new buyer would like to make changes," Eastwood said yesterday in a telephone interview. "But you can use a foil rather than a rapier."

In another development since Salinas-based KCBA television station entered into a local management agreement to operate Monterey-based KCCN, Jim McGillen of Pebble Beach, a retired movie producer, and his wife, Cindy, former general manager of KSBW Channel 8 in Salinas, said yesterday they will go to the Federal Communications Commission to challenge the agreement.

McGillen said he will use some of the arguments KCBA used in a protest filed by Ackerley in January claiming a proposed agreement providing for KSBW operation of KCCN violated FCC rules.

Meanwhile, KSBW has hired three of KCCN's news employees — anchor Adrienne Laurent, news consultant Doug McKnight and reporter John Hickey — on a temporary basis in an attempt to take a larger slice of the viewer ratings while KCCN's news operation is suspended until June 3.

All of the off-air maneuverings follow the April 24 termination of KCCN's 70-person staff.

See **KCCN** PAGE 2C

## Eastwood calls KCBA's shutdown of KCCN news 'rather ruthless'

KCCN FROM PAGE 1C

McGillen praised KCCN's employees and criticized their termination.

"Being given six hours to clean out their desks isn't fair," he said.

McGillen reportedly was a sepa-

rate bidder from Eastwood for KCCN, but the local marketing agreement was a tool used by Ackerley to pay too much for the station and consolidate operations, Eastwood said.

"They could go ahead and ostensibly overpay for it, take the sick horse and manage it," said

Eastwood, whose wife, Dina Ruiz, is a news anchor for KSBW. "I'm not a disgruntled suitor. I just did it because of my local interest."

Eastwood acknowledged that if he had bought the CBS-affiliated television station he would have been prohibited from discussing news stories with Ruiz, who works for an NBC affiliate.

McGillen said KCBA took advantage of a loophole in FCC rules to operate KCCN, though the station's former owner, Harron Communications of Frazer, Pa., does not appear to participate in management decisions.

McGillen said local marketing agreements were meant to save smaller stations with the help of larger stations. Such agreements, he said, may be abolished next month by Congress.

Asked whether KCBA's takeover of KCCN is a conflict, Eastwood said, "In the old days, they used to make movie companies divest themselves of theaters. I

would rather see an independent entity and keep more variety of competition in the marketplace."

The local television market is dominated by KSBW. According to the February Nielsen ratings, KSBW had a 40 share and KCBA a 4 share at 11 p.m. — the only time at which the stations compete head-to-head.

"We're serious about news regardless of whether KCCN is on the air or not," said Laura Clark, KSBW news director.

Monday night, KSBW launched a monthlong series of stories featuring Hickey, who was fired at KCCN hours before his planned debut as a weatherman after relocating from the Midwest.

Clark said the series, called "John's Job," follows Hickey as he tries out jobs along the Central Coast. His first job for a day was as a caddie at Pebble Beach. He also took a stab at collecting garbage and at working in the traffic tower at Monterey Peninsula Airport.

# Clint Eastwood, among others, gunning for bad LMA law

I'm not sure what the federal government had in mind when it decided to authorize "local marketing agreements," but I'm reasonably certain it wasn't what happened last month at KCCN-TV in Monterey, Calif.

In a nutshell (which is where this sorry saga seems to belong) what happened was that, thanks to an LMA, the entire KCCN staff of more than 60 people got fired and the CBS affiliate's local newscasts were abruptly canceled.

The company now operating KCCN under an LMA is Ackerley Communications, which also operates Fox-affiliated KCBA-TV, about 15 miles away in Salinas.

In fairness, it should be noted that Ackerley says news will return to the Monterey station next month, that the entire station is being re-staffed and that, shucks, it was the old operator, Harron Communications, that fired all those folks—and thus wiped out local news—in the first place.

(Harron, by the way, still holds the KCCN license.)

Still, none of the KCCN slashing and burning happened until the LMA was signed.

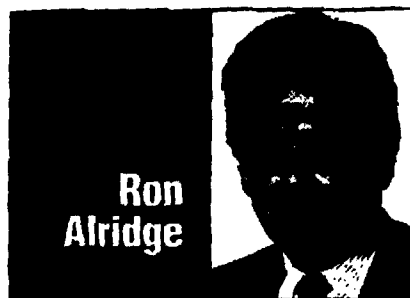
And though re-staffing is indeed under way at the station, plans call for employing only about half the number of people who formerly worked there.

As I understand the history of LMAs, they were supposed to keep struggling stations from drowning in a sea of red ink.

The reasoning seemed to be that it was better to let a competitor step in and operate a sinking station than to have the station continue limping along and maybe even die.

But KCCN, though losing \$1 million or so a year, had an alternative. A local group, led by movie star Clint Eastwood, was willing to pay \$11 million a year, which was the same figure sources said Harron was asking at one time.

Furthermore, the Eastwood group included former syndication executive Jim McGillen and his wife, Cynthia, who used to be general manager of KSBW in Salinas and who would have



run KCCN had her group bought it.

The McGillans, like Mr. Eastwood, are longtime residents of the Monterey area.

In striking an LMA deal, Ackerly reportedly topped the Eastwood group's offer by a whopping \$3.1 million. It's the kind of premium price that almost always makes cutbacks and layoffs a bottom-line necessity somewhere down the road.

This entire small-market episode might have quietly gone down in history with nothing more than a couple of tsks tsks were it not for two ingredients: the unusually drastic developments that ensued at KCCN and the formidable fame of Mr. Eastwood.

It all added up to a powerfully provocative story that a talented movie star has had no trouble telling, up close and personal, in face-to-face meetings with all four members of the Federal Communications Commission.

So now, the FCC's interest has undoubtedly been piqued as it prepares to consider a formal request by the Eastwood group to disallow the Monterey LMA.

Meanwhile, there's talk of holding congressional hearings on the subject of LMAs in general. If that happens, you can expect Clint Eastwood to be a star witness. And the story is being deftly steered in the direction of the White House, which is especially interested in California during this election year.

Stay tuned. This is a story loaded with implications. It promises to get bigger.

I am not, repeat not, saying there was anything improper or illegal about the Monterey LMA. In fact, that's the problem—what happened is perfectly permissible under

the law, as I understand it.

The wrongheaded law is rooted in the naive notion that broadcasting is just another business that can be regulated by the same marketplace forces that regulate the quickie oil change

business.

As we're learning, again, from the Monterey LMA, the broadcasting business just isn't that simple.

The day of the LMAs is part of a broader era in which there's too much concentration of power and too little regard for the broader health of the broadcasting industry and the communities it serves.

Too often, the only test an LMA must meet is whether the deal is "acceptable." A better, more fitting test would be whether it is the "best possible," not just for shareholders but for stakeholders as well, including viewers and station employees.

The first sign of exactly how drastically LMAs have tipped the balance of power came to my attention a while back when I found myself meeting privately with some of the nation's most powerful syndication executives.

In one breath, these TV heavyweights told me that LMAs were a big emerging problem; in the next breath, they adamantly refused to discuss the problem for publication.

The reason is simple: Through LMAs, the big are getting bigger and even a large syndicator backed by a rich, powerful studio can ill afford to rock their boat.

I can only imagine what it's like further down broadcasting's food chain.

So perhaps the Monterey brouhaha will turn out to be public service of the highest calling. Perhaps it will focus attention on a woefully overlooked issue of considerable importance in and out of the television business.

If so, it won't be a minute too soon. #

Ron Alridge is publisher and editorial director of ELECTRONIC MEDIA.





SCRIPPS HOWARD

# The Herald

MONTEREY COUNTY

**THURSDAY  
FEBRUARY 6**

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## TV stations face contempt charges

**BY KEN SCHULTZ**  
Herald Staff Writer

Two Monterey County television stations face contempt of court charges for violating a judge's order prohibiting identification of the victims of two men sentenced last month to life in prison for participating in an Internet child pornography ring.

Superior Court Judge Robert

Moody yesterday scheduled a March 7 contempt hearing in Salinas for Salinas-based KCBA and KCCN of Monterey.

KCBA is owned by Ackerley Communications of Seattle, and KCCN is owned by Harron Communications of Fraser, Pa. Both stations have been managed by Ackerley since April.

The news director of both sta-

tions, John Freeman, apologized in court yesterday to the judge and the families of the five young victims, age 4 to 10.

Freeman said the violation of the court order was "a clear mistake" during the stations' news coverage of the Jan. 29 sentencing of Ronald Riva of Greenfield, a former Soledad prison guard, and Melton Lee Myers of Santa Rosa,

a registered sex offender.

A brief videotaped shot of some parents in the courtroom appeared Jan. 29 on KCBA's 10 p.m. news show. That night, both stations also aired on their news programs a statement made to the judge by Riva in which Riva denied molesting one girl, a 10-year-old whom he identified by her first name.

The mother of the girl, along with the girl's younger sister, who was also among the molestation victims, testified yesterday that both girls were watching a local TV news program following the sentencing because "they wanted to see Mr. Riva get his."

Both girls became upset when the name of the older girl was broadcast, the woman

told Moody.

"We live in a very small community. Her name is not a common one," the woman said.

The broadcasts prompted numerous calls to the family from relatives, neighbors and friends who were "outraged" that the family's anonymity had been compromised, she said.

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### CONTEMPT

FROM PAGE A1

"This has just caused us further distress at a time when we were ready to put this behind us," the woman said.

A contempt citation is being sought against the two stations by Deputy District Attorney Ed Hazel. The stations could be fined \$1,500 for each violation, and the judge has wide discretion in imposing other sanctions, Hazel said.

The videotape of the victims' parents was "never intended to

appear on the air," Freeman told the judge. "This is something that should never have happened and was a clear mistake."

After hearing from Freeman, Moody said he was convinced that the two stations "had no intention or desire to compromise the identities of the parents and victims. It appears to be negligent conduct, but obviously it hurts" those involved.



Russ Cain/The Herald

**ASSISTANT DISTRICT ATTORNEY Ed Hazel, standing, and John Freeman, news director of both KCBA and KCCN, watch tapes of the disputed newscast.**

**Citizens for an Independent KCCN**  
The Monterey County Herald  
February 6, 1997

# OPINION

Friday, April 26, 1996

## EDITORIAL

### Dismissal of broadcast staff advances corporate distrust

#### WHERE WE STAND:

**In the manner in which the layoffs of KCCN-TV employees took place, is it any wonder why corporations are viewed as greedy and cold-hearted?**

The current plague thinning Corporate America hit home Wednesday. The new owners of Monterey-based television station KCCN Channel 46 shut down the operation, canceled the news and laid off 70 employees.

The reasons why Ackerley Communications, Inc. decided to close the doors at KCCN are not completely clear. The TV station was experiencing financial troubles under the previous ownership of Harron Communications. KCCN was reported to be on the sales block. In fact, KSBW-TV, the NBC affiliate in Salinas, was involved earlier this year in trying to buy KCCN.

Instead, Ackerley, which owns local Fox station KCBA-TV, bought KCCN.

In a free-market economy like the one we live in, survival of the fittest is an accepted fate. Companies and TV stations thrive or fold under this economic edict. We can't argue against KCCN's closure. The decision may not be capricious, but a sound business one. We can only speculate that the station had trouble holding its fiscal head above water in a competitive media market.

What we can do, though, is condemn the callous, insensitive way in which Ackerley chose to deal with the KCCN employees.

These broadcast professionals and staff

were cast off from their jobs in a rude, despicable act of brutality.

Those interviewed Thursday as they boxed their belongings and left the station did not say anything about being thanked for their services. Instead, they spoke of being stunned, and shocked by the news of their layoffs.

Unfortunately, Corporate America is downsizing. Maybe some companies are in Dutch financially and have a legitimate need to downsize. But it seems that, for other companies, downsizing is suspicious. And these suspicions affect thousands of people's lives. At KCCN, local colleagues and community members might call it being cut from their livelihoods to keep profit margins high.

Ackerley has succeeded in convincing many of us that too many corporations are greedy, cold-hearted and hold little, if any, compassion for their employees.

Taking it to another level, journalists and other KCCN staff members are also people. They live and play in this community. They have homes, families, friends. These personal ties help mold the perspectives and commitment they used in their job as contributors to the local news.

KCCN's role as a provider of news has been silenced, if only temporarily. Ackerley officials said they expect KCCN to resume its news program by June.

Until then, local viewers lose out on a source of news and information.

These are hard economic times. Employees are desperately afraid of job loss. Communities fear the loss of taxpaying employers.

So why the deplorable, insensitive treatment of people?

Ackerley, shame on you.

# A chilling day in the land of bright lights

By GEORGE READING

"SHOULD I pray for you?"

The voice was warm. Her face was concerned.

"Thank you," I smiled.

I have spent my life in mass communications. None of it, though, was more important than that simple exchange with a concerned stranger on a downtown Monterey street corner.

It happened the day after the Draconian takeover of KCCN-TV, the day after an entire staff was fired, its news voice on the Monterey peninsula silenced. It was a simple human communication.

"Are you all right?" was what she was asking. I was. And my colleagues at KCCN would be too. But the industry, for me, would never be the same.

The woman with the warm voice had been cheated. Cheated by an industry that is licensed to operate in the public trust. The TV voice she just lost does not belong to the cable company back in Pennsylvania that still holds its license.

It does not belong to Ackerley Communications in Seattle, which now operates both KCBA-TV and KCCN-TV. It belongs to her, to the people of this community.

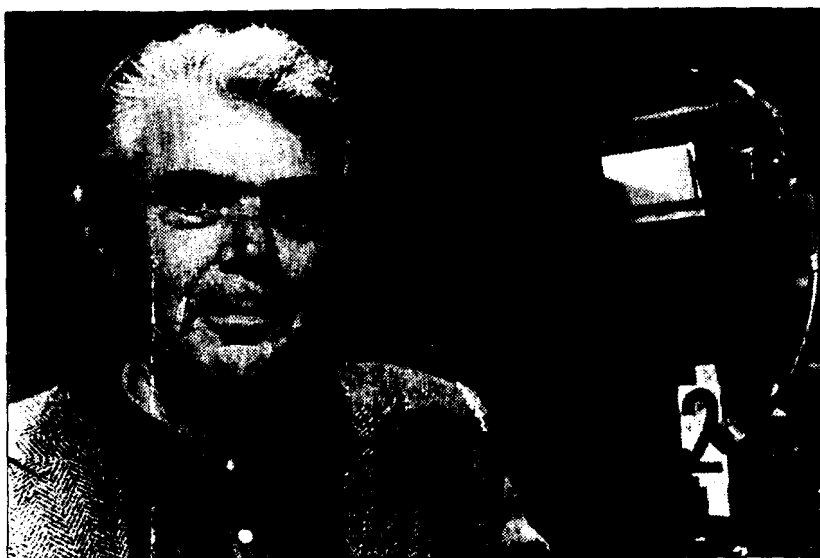
## Picture of reality

In my 44-year career in TV news — from New York, Boston, Chicago and Washington, D.C. to Los Angeles, San Francisco, San Diego and now, in retirement, Monterey — I have always believed it was a journalist's obligation to create a picture of reality in which a person could intelligently deal with a changing world.

An important *picture of reality* disappeared Wednesday, April 24, at 3 p.m. for the Monterey Peninsula when the KCCN staff was dismissed peremptorily and its 5 p.m. news turned into a brief Orwellian scroll that flashed a silent message across Monterey TV sets — "No local news."

No explanation. No why. No nothing.

Only three months earlier, Ackerley had filed a protest when it thought a competing station group was going to purchase KCCN under a local management agreement. Ackerley's lawyers complained to the Federal Communications Commission that such a deal between two competitors violated FCC rules: "A classic example of exactly the types of 'multiple relationships' the commission is concerned about."



PHOTO/COURTESY OF JOHN MCCLEARY

George Reading, a 44-year TV news veteran, had been the weekend anchor at KCCN.

How does Ackerley now justify doing exactly what it earlier protested was a violation of FCC rules? "You've got me there," Ackerley spokesperson Dan Evans told the Monterey County Herald.

Furthermore, Ackerley would have us believe that the KCBA takeover was the only way to save KCCN.

"We don't believe that a company could have come in and run it as a stand-alone (station) and been successful," Evans said in that same interview.

## An independent voice

What Ackerley and Harron

Communications didn't tell the public is that there were other broadcasters who were convinced it would be profitable as a stand-alone — broadcasters who offered more than Harron paid for it (KMST) in 1993; broadcasters who intended to keep KCCN in Monterey as an independent voice.

What little information Ackerley was relaying to local journalists, however, was more than it was telling its own viewers. KCBA never carried the story of its takeover of KCCN that day. It carried the closure of a Wrigley plant in Santa Cruz, but not the closure of KCCN Central Coast News.

But it didn't see fit to carry a word about the layoff of an entire staff of 70 or so people — nothing about the corporate takeover that moved an independent news voice, licensed to the City of Monterey, to Salinas.

It has been estimated that television is the sole source of news for more than 80 percent of Americans. Two-thirds of the English-language TV stations in the

Monterey-Salinas-Santa Cruz market now speak with one editorial voice. It's the same voice that censored the story of its takeover of KCCN.

## More than lost jobs

Unlike Wrigley, what is at risk in the Monterey TV takeover is ultimately more important than the lost jobs: namely, a competitive news voice where the politics of the marketplace do not dictate what the public gets to see.

I hope the woman with the warm voice will get this prayer answered — that what happened on April 24 at KCCN will be reversed by the Federal Communications Commission ... that the Monterey Peninsula will get its independent TV voice back ... and this takeover will turn out to be just what it's felt like all along — a very bad Fellini movie.

Otherwise, we may need to pray for Democracy's First Amendment.

*A TV journalist since 1954, George Reading retired to Monterey in 1993 where he worked part-time at KCCN and was the anchor of the weekend newscast until April 24. He was a former anchor at KMST-TV (now KCCN), from 1987 to 1990. His career has included TV anchor stints in Boston, San Francisco, Los Angeles, Sacramento and San Diego. Of the current situation at KCCN, Reading suggests readers contact Roy Stewart, Chief of Mass Media, Federal Communications Commission, 1919 M St. NW, Washington, D.C. 20554.*